

Project brief*



**Strengthening governance
arrangements for **small
city and town sanitation**
in Sumatra, Indonesia**

**A selection of key themes for local governments
and policy makers**

This research project sought to investigate and strengthen factors that influence local governments' capacity to plan and implement sanitation services through the City Sanitation Strategies (SSK) process. The study engaged local governments of six case studies in small cities / towns in Sumatra, to uncover experiences (both positive and negative) of the case study towns, on a wide range of issues relating to governance and its impacts on sanitation service delivery. The research was conducted through a partnership comprising the Institute for Sustainable Futures at the University of Technology Sydney, Kemitraan Partnership for Governance Reform and SNV Development Organisation, with Government of Indonesia partner BAPPENAS. The research was funded by an Australian Indonesia Infrastructure Research Award (AIIRA) through the Australian Aid programme.

ABOUT THE AUTHORS

The Institute for Sustainable Futures (ISF) was established by the University of Technology, Sydney to work with industry, government and the community to develop sustainable futures through research and consultancy. Our mission is to create change toward sustainable futures that protect and enhance the environment, human well-being and social equity. We seek to adopt an inter-disciplinary approach to our work and engage our partner organisations in a collaborative process that emphasises strategic decision-making.

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Kemitraan (Partnership for Governance Reform) is a multi-stakeholder organisation that promotes good governance principles in a wide array of sectors at national, regional and local levels in Indonesia. It works hand-in-hand with government agencies, civil society organisations, the private sector, and international development partners in Indonesia to bring about reform at both the national and local levels.

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SNV Netherlands Development Organisation is a not-for-profit international development organisation. SNV have built a long-term, local presence in 39 of the poorest countries in Asia, Africa and Latin America. Our global team of local and international advisors work with local partners to equip communities, businesses and organisations with the tools, knowledge and connections they need to increase their incomes and gain access to basic services – empowering them to break the cycle of poverty and guide their own development.

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Bappenas (Indonesian Ministry of National Development Planning) provided authorisation for the research to be conducted, gave strategic input and participated in key workshops.

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CITATION

ISF-UTS, Kemitraan & SNV (2015) Strengthening governance arrangements for small city and town sanitation in Sumatra, Indonesia – a selection of key themes for local governments and policy makers. A Briefing Paper. Institute for Sustainable Futures at the University of Technology Sydney (Australia), Kemitraan Partnership for Governance Reform (Indonesia) and SNV Netherlands Development Organisation Indonesia.

ACKNOWLEDGEMENTS

The research team would like to thank all of the case study participants in the six case studies, including representatives from the Pokja Sanitasi, Mayors, SEKDas, community groups, NGOs and media from the Sumatran districts and cities of Payakumbuh, Lampung Selatan, Sawahlunto, Pariaman, Pringsewu, and Metro Lampung. We also give our thanks and recognition to the significant contributions of national level stakeholders from the Ministries of BAPPENAS, PU, MOHA, Finance, Environment and Health and USDP.

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Strengthening governance arrangements for **small city and town sanitation** in Sumatra, Indonesia

A selection of key themes for local governments and policy makers

THIS PROJECT BRIEF summarises key themes from research that investigated local government governance and institutional arrangements for sanitation (wastewater) planning, budgeting and implementation in small cities and towns in Sumatra, Indonesia.

The research was undertaken from August 2014 to May 2015 as a collaboration between the Institute for Sustainable Futures (ISF) at the University of Technology Sydney (UTS), Kemitraan Partnership for Governance Reform, SNV Netherlands Development Organisation and Ministry of National Development Planning (Bappenas). The participatory research was funded through Australian Aid's Australia Indonesia Infrastructure Research Awards (AIIRA).

Six in-depth case studies were conducted in six districts (regencies) and cities in provinces, involving a total of 135 participants (75 local government staff, and representatives of civil society, media, provincial and national government stakeholders) in focus groups, interviews, meetings and participatory workshops.

The research sought to investigate governance factors that influence local governments' capacity to plan and implement sanitation services through their district/city sanitation strategy planning (SSK) process, in line with the national programme for Accelerated Development of Urban Sanitation (PPSP). The case study participants shared their experiences (both positive and negative) of sanitation planning in the six case study towns,

touching on a wide range of issues relating to governance and its impacts on sanitation service delivery.

While the research focused on the experiences of local governments at the district/city level, it also highlighted that local wastewater planning and implementation outcomes are strongly impacted by institutional arrangements at provincial and central levels of government.

This document, available in both Bahasa Indonesia and English, provides a concise synthesis of key themes relevant for local government participants and interested stakeholders. Readers are invited to use this brief to prompt discussions for improving wastewater service delivery in their local areas.

Five main **themes** are discussed within this brief:

1. Moving beyond "reducing open defecation"
2. Role of the Pojka Sanitasi
3. Budgeting challenges for wastewater
4. Wastewater investments determined by financing sources
5. Local governments' ideas for improving wastewater service delivery

For a more comprehensive discussion of the research, case studies on each local government, findings and implications, please see the accompanying technical report, *Strengthening governance arrangements for small city and town sanitation in Sumatra, Indonesia*.

Fig 1: Health risks caused by pathogen contamination through ineffective systems or treatment



The Philippine Sanitation Alliance (USAID 2008)

Theme 1 / Moving beyond “reducing open defecation”

The fundamental objective of wastewater planning and service delivery is to maintain a safe barrier between human excreta, other humans and their water sources.ⁱ

Effective wastewater service delivery needs to separate all wastewater pathogens from people and their environment.

There has been a strong focus on strategies to reduce open defecation and achieve ODF (open defecation free) targets in the case study towns, with significant achievements made in behaviour change around sanitation and greater use of toilets in some cases.

However, in urban areas such as towns and cities, with considerable population densities and significant use of pour-flush toilets, a focus on the toilet alone is insufficient.

Depending on the quality of the user interface (the toilet and related technology into which the waste passes) and the availability of appropriate waste

treatment and transport mechanisms, contamination can, and likely will, still occur.

This is because there are many pathways through which people’s health can still be adversely affected by wastewater pathogens. These pathways include leakage or overflow of pathogen-containing liquid waste (effluent) from septic tanks or community-scale systems and other infrastructure into groundwater, drainage systems or surface water, as well as unsafe practices for removing sludge (desludging), unsafe transport, illegal dumping and unsafe treatment and disposal.

From a health perspective these pathways expose humans to pathogen risks. One such example of exposure is shown in Fig 1.

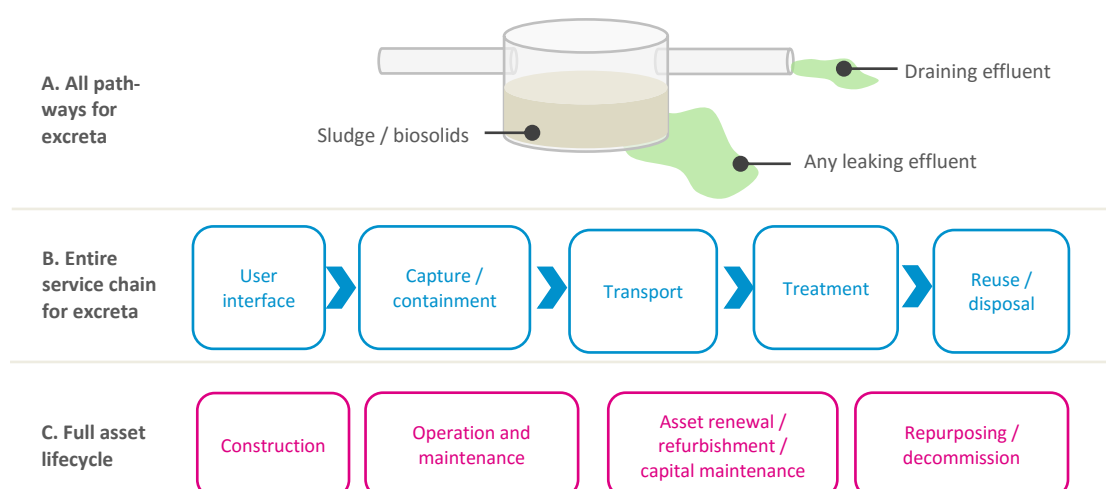
tip* Obtaining and sharing evidence of faecal pathogen contamination in local water sources can galvanise commitment and spur action to improve sanitation service performance. Such contamination is likely in cities and towns with inadequate sanitation infrastructure. The two case studies participating in the SAIIG programme (to invest in networked sanitation) mentioned *E. coli* bacteria had been present in their surface water sources. One of these case studies specifically cited this as their reason for participating in the SAIIG programme and improving their sanitation infrastructure and services.

ODF targets are an important first step, but focussing only on ODF can shift attention away from the real health objectives of sanitation – and the need for additional sanitation infrastructure and services that address the complete sanitation chain, from toilets, containment, conveyance / transport, treatment and disposal / re-use.

Achieving ODF aligns with the Millennium Development Goals (MDGs) which focus on increasing access to “basic sanitation”, defined as access to adequate latrines.ⁱⁱ The Sustainable Development Goals (SDGs), which replace the MDGs in 2016, extend attention to many other on-going requirements of sustainable wastewater management.ⁱⁱⁱ



Fig 2: Life-cycle and system-wide view of wastewater service delivery^{iv}



The SDGs also promote the safe reuse of the treated wastewater products in order to generate additional value. Many of the case study participants felt if wastewater service was positioned as an opportunity for making profit from waste reuse, districts/cities would prioritise this issue.

In order to achieve the primary goals of wastewater service delivery, namely human and environmental health, it is important to consider:

- The complete asset lifecycle – to ensure the technology functions and is used effectively and appropriately after construction through appropriate operation, maintenance and asset renewal (capital maintenance) to end of life.
- The complete sanitation service chain – through the full sanitation service chain of user interface, containment, treatment and re-use/disposal and ensuring that all possible pathways allowing contamination are prevented (see Fig 2).

In terms of local governance, it is important to allocate responsibility for each of the elements illustrated in Fig 2, and for there to be co-ordination between them.

Theme 2 / The role of the Pokja Sanitasi

A multi-sector Sanitation Working Group (*Pokja Sanitasi*) is appointed, at provincial and at district/city levels, to facilitate and oversee planning and implementation of district/city

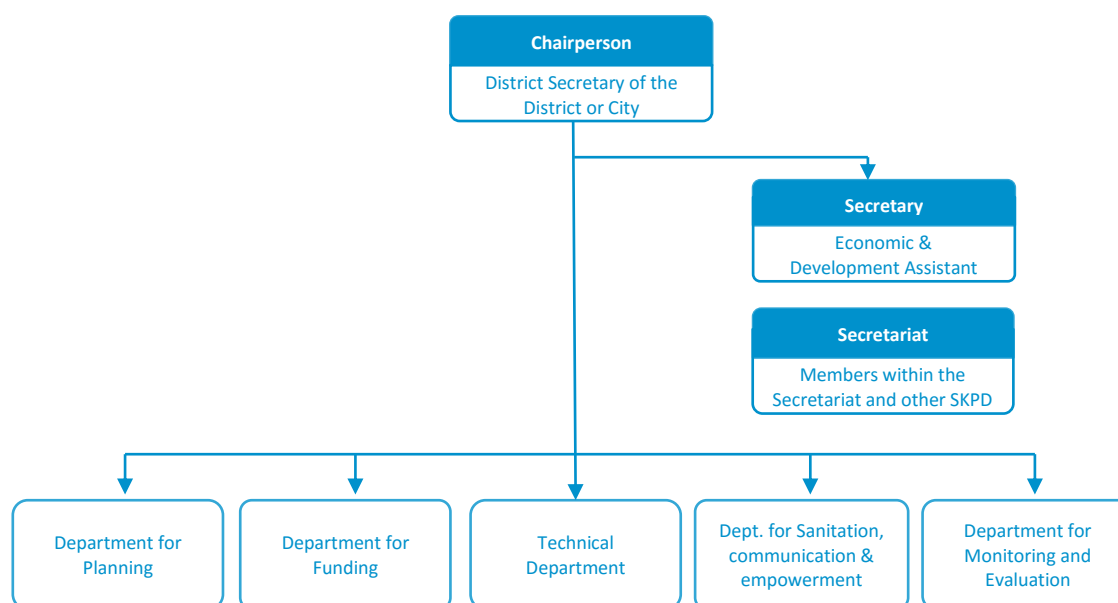
sanitation strategies. The Circular of the Minister of Home Affairs No 660^v (SE660) provides detailed guidance regarding the role of the Pokja Sanitasi at each level. For district/city level Pokja Sanitasi, the responsibilities are as follows:

1. Prepare the White Book (BPS) and the strategic sanitation strategy (SSK),
2. Prepare the implementation programme (MPS),
3. Implement the physical and non-physical development of the sanitation plan,
4. Monitor and evaluate the inclusion of their programmes and activities into a regional development plan; and prepare action plans and budgets in accordance with agreed SSK/MPS, and
5. Report the developments of the SSK/MPS to the regent/mayor, as well as to the online National Water and Sanitation Information System (NAWASIS) monitoring tool

The SE660 also outlines who specifically should be involved at the district/city level within the Pokja (see Fig 3).

The Pokjas in all six case study towns experienced at least some challenges in meeting the SE660 requirements. A frequently expressed challenge related to the seniority of staff members who participated in the Pokja and the resulting limitations on the Pokja influence and authority to drive improvements in sanitation:

Fig 3: Roles of the Pokja Sanitasi (Ministry of Home Affairs SE660)



- The SE660 ascribes responsibility for chairing the five key activity areas to the heads (*kepala*) of the relevant local government work units (SKPDs), but in practice usually only the lower echelon staff (*kabid/kasi*) attended the Pokja Sanitasi meetings.
- Research participants noted the *kepalas* have full work-loads and realistically, they struggle to fit in time for the Pokja Sanitasi meetings.
- The *kabid/kasi* staff that attend the Pokja meetings often felt it was not easy to keep their *kepalas* updated on the meeting discussions and results: “*we provide them with the reports, but they don’t have time to read them*”.
- Pokja members felt it was challenging to progress their work on wastewater, because as generally less senior staff, they had limited decision-making power or voice.

Other shared experiences by Pokjas across the local governments are shown in [Table 1](#).

Despite these challenges, local government participants offered innovative ideas and examples of how to work through these common barriers.

Overcoming Pokja Sanitasi challenges



1 Gain the support of the SKPD heads. Staff participating in the Pokja universally recognised they needed support from their

SKPD heads to progress the SSK activities. In one case study, Pokja staff felt the SKPD heads would be responsive to directions from the Bupati (Regent), and proposed using personal and organisational links to facilitate this. This was possible through links with the women’s welfare group (PKK) headed by the Bupati’s wife.

2 The power of a common vision. In one case study, the kota had a unifying vision to be a successful tourism destination, and effective sanitation played an important role for achieving their vision. This meant that the Pokja had the full support of all decision makers.

3 Secure funding for Pokja Sanitasi activities. In one case study, the Health Agency member could not obtain operational budget approval for their SSK advocacy activities through their SKPD. Through the cross-sectora Pokja however, Bappeda put a pledge forward to take over the co-ordination and sought operational budget approval through an alternative channel. In another case, the Pokja’s operating budget was cut from the local government budget (APBD) as there was no perceived economic benefit. In support of the Pokja work, the Bappeda pledged to allocate their own budget to continue to fund Pokja operations.

Table 1: Common experiences of the Pokja Sanitasi in the case studies

| Pokja roles* | SKPD typically responsible | Common experiences reported by the six participating local governments |
|---|----------------------------|---|
| Leadership | SEKDA Chairman | Sekda could not realistically be engaged on a day-to-day or meaningful basis in the Pokja Sanitasi as the Sekda has many other responsibilities. This results in the loss of the co-ordinating authority of the Sekda for managing SKPDs undertaking sanitation. Since the Sekda is Chairman for the local government budget, it is important to keep the Sekda well informed and engaged to prioritise sanitation. |
| Planning | Bappeda | In all case studies, Bappeda was involved as the Pokja co-ordinator. In most cases, the budget for funding the Pokja operations came through Bappeda. So this role was aligned with what was specified in SE660. |
| Technical | PU | PU was also actively involved in most Pokjas and had the largest budget to build infrastructure. PU efforts focussed primarily on constructing physical infrastructure, but generally not on non-physical aspects or operation and maintenance (O&M). This result is particularly challenging as the agency taking on O&M (usually Cleaning and Landscaping agency) had minimal funds available for its activities. Lack of attention to non-physical aspects such as user preferences has led to some investments becoming unused “monuments”. |
| Sanitation, communication & empowerment | Health | The Health SKPD was also generally involved in the Pokja, and was the agency that had closest engagement with the community. In some case study cities, they faced barriers due to competing priorities and small budget for communications for behaviour change. The health agency’s role is critically important for creating demand for sanitation services, and a smaller role relative to that specified in the SE660 can lead to poor sanitation outcomes. |
| Funding and budgeting | Finance | The finance SKPD was most often not involved in the Pokja. This leaves a gap in the capacities of the Pokja for preparing budgets for implementing the PPSP program. |
| M&E | Environment | The environment SKPD was also not often involved. According to SE660 the role of this SKPD is monitoring and evaluation (M&E) and ensuring all of the other SKPDs are doing their SSK activities. When Environment was involved, it was commonly the lower echelon staff who reported difficulties in fulfilling their monitoring role due to their lack of authority. This results in a lack of adequate monitoring to assess progress towards meeting the PPSP program objectives and a gap in identifying where to make improvements. |

* according to SE660

The operational budgets available for Pokja’s to fulfil their roles varied greatly – in one case, the budget was cut completely. In the case studies however, the size of the budget did not necessarily correspond to the activity level of the Pokjas. For instance, some Pokjas with smaller budgets were able to meet more frequently than Pokjas with larger budgets due to other motivating factors (see [Table 2](#)).



Theme 3 / Budgeting challenges for wastewater

Securing funding for wastewater service delivery was a challenge for most case study towns. Most districts and cities, through their membership in AKKOPSI, the Alliance of Districts and Cities concerned about Sanitation, had pledged 2 percent of their APBD to sanitation. However, “sanitation” also includes solid waste and drainage, which have greater visibility and compete with wastewater for the sanitation budget. Consequently, only a small portion of these sanitation budgets were specifically allocated for *wastewater* in most cases.

Furthermore, many Pokjas mentioned difficulty securing budgets for the activities specified by SE660 (and implementation of the SSK) because local governments are required to use the “nomenclature” provided by MoHA when identifying programmes and activities to be funded by the APBD. The nomenclature provides a list of

Table 2: Annual Pokja operational budget compared to Pokja activity

| Case study | Pokja budget (million IDR) | Pokja activity |
|------------|----------------------------|--|
| 1 | 150 | Moderately active and keen to increase their effectiveness |
| 2 | 130 | Rarely meet; less than 3 times/year |
| 3 | 70-100 | Meet on ad hoc basis, not very often and usually prompted by donor visits |
| 4 | 80 | Active Pokja; meets around 3 times a year but would like to meet monthly |
| 5 | 30 | Active Pokja; conduct internal FGDs to discuss issues. Forego travel honorariums as part of scheme for annual bonuses to all civil servants. |
| 6 | 0 | Pokja unable to meet unless they show Parliament that meeting will result in revenues. Bappeda pledged to fund meetings in the future, budget not specified. |

mandatory activities and optional affairs that can be funded via the APBD in accordance with the Permendagri (Minister of Home Affairs Decree) No. 13/2006. In order for a local government to fund sanitation activities (specified by SE660) under the APBD, they must be allocated within the MoHA-specified nomenclature.

Budgets are reviewed by a series of decision makers (see Fig 4) and at each review point, the decision makers determine whether or not the

SE660 activities can be included within the nomenclature. When the decision makers are committed to implementing the PPSP, they are likely to allow the SE660 activities to be funded within the nomenclature. On the other hand, when they are less committed, they are likely to remove these budgets.

Case study participants called for interventions from the national level so wastewater can be adequately budgeted for, for example, to prescribe a fixed proportion of the APBD to be allocated to wastewater and update the nomenclature so SE660 activities can be included.

In the interim, canvassing support from the leaders and decision makers who review and approve the budgets can make a big difference for accessing funds. It is especially important to build knowledge and interest in sanitation amongst members of the local parliament, and the mayor/regent.

tip* *For Pokja: Promoting the benefits of wastewater expenditure. Successful wastewater activities can lead to valuable health outcomes. Less sickness means greater attendance at school and work which leads to improved economic activity as shown by international studies. Promoting the economic benefits to the decision makers may be another way of getting their support for approving sanitation budgets.*

Fig 4: How SE660 wastewater activities can be “struck out” of the APBD budget

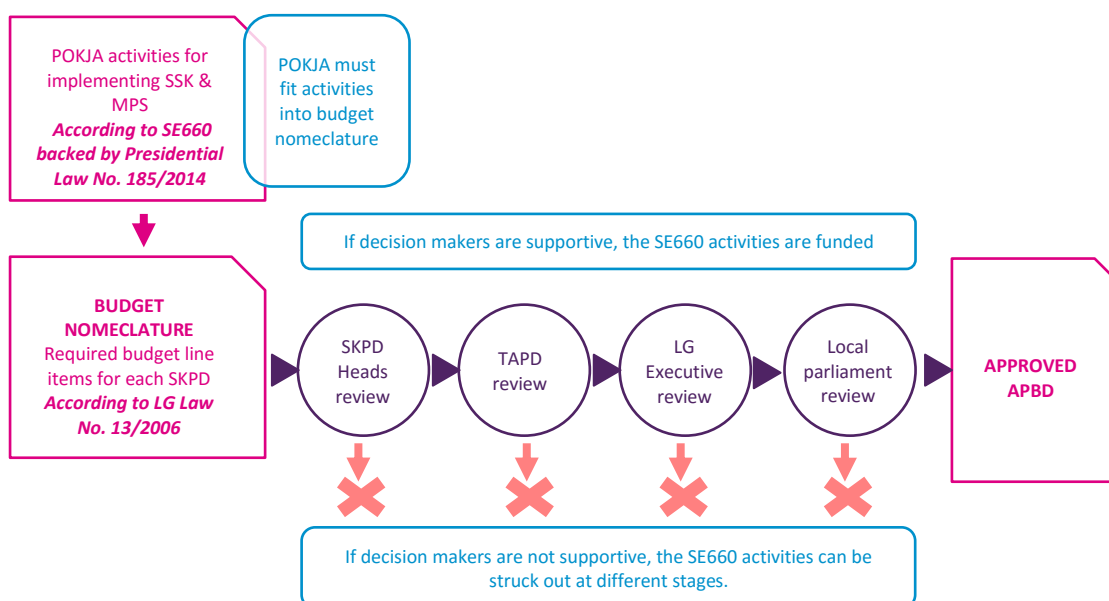
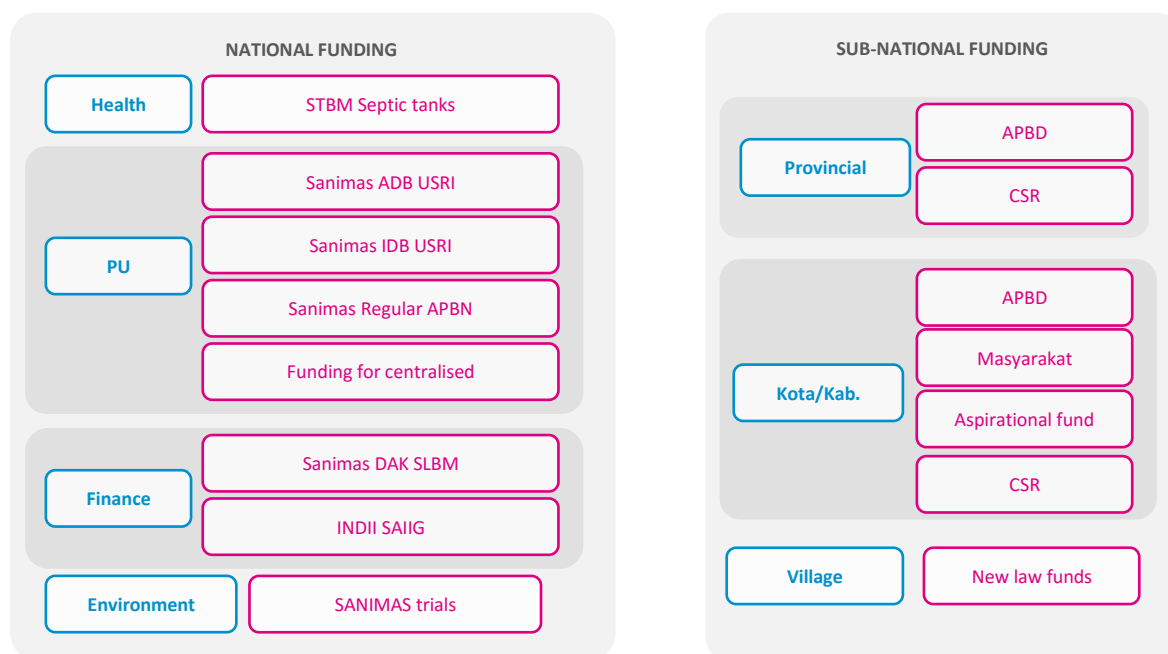


Figure 5. National and sub-nations funding sources for wastewater infrastructure^{vi}



Theme 4 / Wastewater investment determined by financing sources

Many funding sources (>15) are available for districts/cities to finance wastewater systems for small cities and towns,¹ some of which are summarised in [Fig 5](#). *Note: not all of these sources were used by or discussed directly with the six case studies.*

Case studies participants reported that a completed SSK was required for eligibility for most of the funding sources they accessed. Many case study participants considered the value of a SSK primarily to be a formality to access the funds, rather than a strategic way to plan sanitation services.

Although access to funds requires a completed SSK, there is little alignment between what is funded and what was specified in the SSK. For example, participants reported that land availability often dictated where national level sources could be invested. Rather than investments being made in the areas of highest priority identified by the environmental health risk assessment and SSK, they were made wherever communities were able to provide land. As a

¹ Other funds are available for larger cities to fund centralised sanitation.

result, the development of sanitation services is being driven by the funding mechanisms rather than the SSK. This undermines the value of developing the SSK, and increases the risk of an uncoordinated, inefficient, and potentially ineffective, investment in sanitation infrastructure.

Which investments are made are strongly influenced by the conditions for access to funds and the level of ongoing responsibility and commitment required of local governments. Different funding sources target different scales of sanitation technology (see [Fig 6](#)), with a large number of funding sources for Sanimas systems: neighbourhood-scale systems that are operated and maintained by the community. The largest amount of wastewater finances for the six case studies came through Sanimas DAK SLBM, which are transfers to the APBD.

Theme 5 / Local governments' ideas for improving wastewater service delivery

Many good initiatives were shared at participatory workshops for local government participants from the six case study towns. Their hard work provides

Fig 6: Funding sources and the technology scales they support

| On-site septic tanks | Community scale | Off-site | Context specific |
|----------------------|----------------------|----------------------|-------------------|
| STBM Septic tanks | Sanimas ADB USRI | INDII SAIIG | Provincial APBD |
| | Sanimas IDB USRI | ABBN for centralised | Provincial CSR |
| | Sanimas Regular ABPN | | Kab/kota APBD |
| | Sanimas DAK SLBM | | Musrembang |
| | MoE SANIMAS trials | | Aspirational fund |
| | | | Kab/kota CSR |
| | | | Village law funds |

important lessons on how other Pokjas can strengthen their influence and ability to plan for and implement wastewater services.

Engage the community

- Increase community awareness: Undertake community messaging through local **leaders** to raise awareness about the importance of good wastewater service and hygiene.² Use local cultural events, Friday prayers and other community forums.
- Leverage the opportunity of general citizens meetings / forums for planning: Engage the community within general citizens meetings / forums (or **musrembang**) to support sanitation plans. This can help gain support from the decision makers to approve sanitation budgets.
- Invite important stakeholders to participate: Involve **key community members external to the Pokja** to provide input into the SSK, especially those with knowledge and experience in sanitation, and former Pokja members who can support continuity of institutional knowledge in the Pokja.

Get support for the Pokja activities

- Consider who can advocate on your behalf: In one case study, the Pokja reached out to the women's group (PKK) to discuss how improved wastewater service aligned with both of their interests. The Pokja **encouraged the PKK to lobby the Mayor and SEKDA** for increased support for the Pokja work, namely through increased participation of the SKPD heads.

- Use the directive of central government: Many said that decision makers comply with **directives from central government**, so positioning wastewater as a directive helps get wastewater budgets passed. Use the opportunity to highlight to local decision makers that "this [sanitation programme] is an instruction from central government" to engender support for and approval of sanitation budgets for programmes such as SAIIG.
- Exercise Bappeda's powers and autonomy: The Bappeda often has the power to **exercise more autonomy** than it does in practice, and might be able to enable Pokja activities. In one case, the Bappeda found it possible to meet the costs for Pokja meetings through its internal budget, when parliament cut the Pokja's operational budget.



² It is important to recognise that "improved health" messages are often insufficient, and messages connected to social status, modernity and economic benefits can help with behavior change.

ⁱ Mitchell et al, 2015. Effective governance for the successful long-term operation of community scale air limbah systems: Mid-term observations report. March 2015. Prepared by the Institute for Sustainable Futures, University of Technology Sydney.

ⁱⁱ Millenium Development Goal 7 (MDG7) Target 10 is to halve by 2015 the proportion of people without sustainable access to water and basic sanitation which means reaching a sanitation coverage of 75%:
<http://www.un.org/waterforlifedecade/sanitation.shtml>

ⁱⁱⁱ UN, 2015. Open Working Group proposal for Sustainable Development Goals.

^{iv} Mitchel et al, 2015

^v Menteri Dalam Negeri Republik Indonesia, 2012, Pedoman Pengelolaan Program Percepatan Pembangunan Sanitasi Permukiman (PPSP) di Daerah. [Guidelines for the Management of Settlement Sanitation Development Acceleration Program (PPSP) in the Region.]

^{vi} Explanation of funding programs: STBM is a program targeting households. The USRI program for urban community-based sanitation (Sanimas) was funded by the Asian Development Bank (ADB) until 2014, and now funded by the Islamic Development Bank (IDB). Sanimas Regular is a funds transfer from the national budget for co-administration. DAK SLBM is a special allocation fund earmarked for Sanimas. SAILG is a program funded by the Indonesia Infrastructure Initiative (IndII) for small town networked sanitation operated by local government. APBD are local funds. CSR is a funding pool from contributions through corporate social responsibility. Masyarakat are community fees and contributions. Aspirational funds are budgets provided to local parliamentary members for spending on their constituents. New law funds are transfers from national government to villages under the updated Village Act 2014.